

AMENDED IN SENATE AUGUST 16, 1999

AMENDED IN SENATE JUNE 29, 1999

AMENDED IN ASSEMBLY APRIL 22, 1999

AMENDED IN ASSEMBLY APRIL 19, 1999

AMENDED IN ASSEMBLY APRIL 7, 1999

CALIFORNIA LEGISLATURE—1999–2000 REGULAR SESSION

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**ASSEMBLY BILL**

**No. 991**

**Introduced by Assembly Member Papan**  
(Principal coauthor: Senator Bowen)

February 25, 1999

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An act to add Section 709.7 to the Public Utilities Code, relating to telecommunications.

LEGISLATIVE COUNSEL'S DIGEST

AB 991, as amended, Papan. Internet access: line sharing.

Under the Public Utilities Act, the Public Utilities Commission has the authority to regulate public utilities, including telephone corporations.

This bill would enact the California High Speed Internet Access Act of 1999. The bill would require the Public Utilities Commission to monitor and participate in a specified proceeding of the Federal Communications Commission addressing whether to require incumbent local exchange carriers, as defined, to permit interconnection by competitive data local exchange carriers, as defined, at any technically feasible point, to permit those competitive local exchange

carriers to provide high bandwidth data services over telephone lines with voice services provided by incumbent local exchange carriers. The bill would require the Public Utilities Commission, if the Federal Communications Commission adopts an order on or before January 1, 2000, with regard to that specified federal proceeding, to comply with, and implement, in a manner that the Public Utilities Commission determines to be appropriate, that order, as prescribed, consistent with state and federal law, within 90 days from the date that ~~such an order becomes final~~ *the rules adopted by that order are published in the Federal Register*. The bill would require the Public Utilities Commission, if the Federal Communications Commission does not adopt an order on or before January 1, 2000, with regard to that specified federal proceeding, to examine the technical, operational, economic, and policy implications of interconnection, and, if the Public Utilities Commission determines it to be appropriate, to adopt rules to require incumbent local exchange carriers in this state to permit competitive local exchange carriers to provide high bandwidth data services over telephone lines with voice services provided by incumbent local exchange carriers. The bill would make related legislative findings and declarations and statements of legislative intent.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

*The people of the State of California do enact as follows:*

1 SECTION 1. The Legislature hereby finds and  
2 declares all of the following:  
3 (a) The Legislature has encouraged and continues to  
4 encourage the rapid deployment of advanced  
5 telecommunications services and capabilities to all  
6 Californians. In effect, those persons excluded from  
7 high-speed networks today will find themselves excluded  
8 from the economic opportunities of tomorrow.  
9 (b) High bandwidth connections between the  
10 telecommunications network and end users in California  
11 facilitate the availability of important new

1 telecommunications services and capabilities, including  
2 telemedicine, distance learning, telecommuting,  
3 high-speed Internet access, and video telephony.

4 (c) The California economy will benefit significantly  
5 from expanded competition and availability of high  
6 bandwidth services provided over the telephone network  
7 to individual consumers, small and medium sized  
8 businesses, and educational facilities.

9 (d) Expanded competition and availability for high  
10 bandwidth services can add over \$64,000,000,000 to gross  
11 state output and create over 600,000 new jobs in  
12 California by the end of 2001.

13 (e) In order to ensure that California consumers will  
14 benefit from broad availability of high-speed access,  
15 affordable pricing, and the highest quality of consumer  
16 service, the Legislature instructs the Public Utilities  
17 Commission to take certain actions to monitor and  
18 participate in the pending proceeding of the Federal  
19 Communications Commission, entitled "In the Matters of  
20 Deployment of Wireline Services Offering Advanced  
21 Telecommunications Capability," CC Docket No. 98-147,  
22 adopted March 18, 1999 (the Advanced Services Docket),  
23 in which the Federal Communications Commission is  
24 engaging in a rulemaking proceeding to consider issues  
25 related to loop access, pricing, and cost allocation in the  
26 provision of broadband data services over telephone lines  
27 provided by an incumbent local exchange carrier.

28 (f) The Federal Communications Commission has  
29 established the following initial deadlines for the  
30 Advanced Services Docket: June 15, 1999, for comments  
31 and July 15, 1999, for reply comments. Based on those  
32 dates, the Legislature believes that the Federal  
33 Communications Commission will complete its  
34 rulemaking proceeding before January 1, 2000, and that  
35 the Public Utilities Commission will benefit significantly  
36 from the development of the record in the Advanced  
37 Services Docket.

38 SEC. 2. It is the intent of the Legislature that the  
39 Public Utilities Commission do one of the following:

1 (a) If the Federal Communications Commission  
2 adopts an order on or before January 1, 2000, with regard  
3 to its proceeding entitled “In the Matters of Deployment  
4 of Wireline Services Offering Advanced  
5 Telecommunications Capability,” CC Docket No. 98-147,  
6 adopted March 18, 1999, that the Public Utilities  
7 Commission comply with, and implement, that order,  
8 consistent with state and federal law, within 90 days from  
9 the date that ~~such an order is the rules adopted by that~~  
10 ~~order are~~ published in the Federal Register.

11 (b) If the Federal Communications Commission does  
12 not adopt an order on or before January 1, 2000, with  
13 regard to its proceeding entitled “In the Matters of  
14 Deployment of Wireline Services Offering Advanced  
15 Telecommunications Capability,” CC Docket No. 98-147,  
16 adopted March 18, 1999, that the Public Utilities  
17 Commission expeditiously examine the technical,  
18 operational, economic, and policy implications of line  
19 sharing and, if the Public Utilities Commission  
20 determines it to be appropriate, adopt rules to require  
21 incumbent local exchange carriers in this state to permit  
22 competitive data local exchange carriers to provide high  
23 bandwidth data services over telephone lines with voice  
24 services provided by incumbent local exchange carriers.

25 SEC. 3. Section 709.7 is added to the Public Utilities  
26 Code, to read:

27 709.7. (a) This section shall be known and may be  
28 cited as the California High Speed Internet Access Act of  
29 1999.

30 (b) The Public Utilities Commission shall monitor and  
31 participate in the proceeding of the Federal  
32 Communications Commission, entitled “In the Matters of  
33 Deployment of Wireline Services Offering Advanced  
34 Telecommunications Capability,” CC Docket No. 98-147,  
35 adopted March 18, 1999, addressing whether to require  
36 incumbent local exchange carriers to permit  
37 interconnection by competitive data local exchange  
38 carriers at any technically feasible point to permit those  
39 competitive local exchange carriers to provide high

1 bandwidth data services over telephone lines with voice  
2 services provided by incumbent local exchange carriers.

3 (c) If the Federal Communications Commission  
4 adopts an order on or before January 1, 2000, with regard  
5 to the proceeding described in subdivision (b), the Public  
6 Utilities Commission shall comply with, and implement,  
7 in a manner that the Public Utilities Commission  
8 determines to be appropriate, that order, as it pertains to  
9 loop access, pricing, and cost allocation in the provision  
10 of broadband data services over telephone lines provided  
11 by an incumbent local exchange carrier, consistent with  
12 state and federal law, within 90 days from the date that  
13 ~~such an order becomes final~~ *the rules adopted by that*  
14 *order are published in the Federal Register.* If the  
15 Federal Communications Commission does not adopt an  
16 order on or before January 1, 2000, with regard to the  
17 proceeding described in subdivision (b), the Public  
18 Utilities Commission shall expeditiously examine the  
19 technical, operational, economic, and policy implications  
20 of interconnection as described in subdivision (b) and, if  
21 the Public Utilities Commission determines it to be  
22 appropriate, adopt rules to require incumbent local  
23 exchange carriers in this state to permit competitive local  
24 exchange carriers to provide high bandwidth data  
25 services over telephone lines with voice services  
26 provided by incumbent local exchange carriers.

27 (d) As used in this section, the following terms have  
28 the following meanings:

29 (1) "Incumbent local exchange carrier" has the same  
30 meaning as that term is defined in Section 251(h)(1) of  
31 Title 47 of the United States Code.

32 (2) "Competitive local exchange carrier" has the same  
33 meaning as the term "local exchange carrier," as defined  
34 in Section 153(26) of Title 47 of the United States Code.